Racket in Forged Drafts

*113. SHRI JANG BAHADUR SINGH PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the newsitem captioned "Racket in forged drafts unearthed" appearing in the *Hindustan Times* dated December 25, 1996;

(b) if so, the details thereof; and

(c) the action taken against the bank officials for not following the laid down rules and regulations?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c) Government have seen the news item referred to in the question. The fact as reported by Bank of Baroda (BOB) are as under :-

(i) A demand draft for Rs. 50,000 was deposited in the newly opened current account in the name of M/s. Parveen Hide Company at Hapur Branch of BOB and Rs. 35,000 was withdrawn by Ms. Parveen on 13.12.1996. The Branch received a mail transfer dated 16.12.1996 purportedly issued by its Latouche Road, Kanpur Branch for Rs. 8.50 lakhs favouring the firm. Enquiry with Latouche Road Branch revealed that the draft and mail transfer were not issued by them. FIR was lodged with local police at Hapur on 21.12.1996. Police arrested Ms. Parveen, her two other accomplices and five other persons including the watchman and the clerk of Latouche Road Branch. The watchman and the clerk have been placed under suspension.

(ii) An account in the name of M/s. B.R. Enterprises was opened in January, 1995 at Clock Tower, Ghaziabad Branch of BOB On 20.10.1995, one mail transfer for Rs. 6.80 lakhs purported to have been issued by Sisamau, Kanpur Branch of BOB was credited to the account and several withdrawals aggregating Rs. 3.30 lakhs were allowed from this account. The fraud came to light when the Clock Tower, Ghaziabad Branch contacted Sisamau, Kanpur Branch and it was revealed that the mail transfer for Rs. 6.80 lakhs was a fake one. FIR was lodged with the police.

(iii) During periodical inspection of Muzaffurnagar Branch of BOB in December, 1996, it was found that a draft book containing 50 demand drafts was mising. Instructions were issued to all the branches to exercise caution in making payments against stolen drafts. However, 12 demand drafts for Rs. 26.18 lakhs had already been paid by the Bulandshahar and Akbarpur Branches of BOB in September-October, 1996. The enquiry carried out by the bank revealed certain lapses such as absence of joint control of security forms and periodical physical verification of stock of security forms at Muzaffarnagar Branch and non-observance of caution in high value transactions at Bulandshahar and Akbarpur Branches. The concerned Zonal Offices have been advised to issue specific instructions to all branches for physical verification of security forms. FIR has been lodged by Muzaffurnagar Branch in December, 1996. Akbarpur Branch has also lodged FIR with the police who have arrested one of the account holders. The accountant of Muzaffurnagar branch has been suspended.

[Translation]

Decline in Export

*114. SHRI KASHI RAM RANA :
SHRI T. GOPAL KRISHNA :

Will the Minister of COMMERCE be pleased to state:

(a) the target fixed for growth rate of exports and imports during 1996-97;

(b) the actual growth rate of exports and imports achieved during 1996-97 in comparison to the corresponding period of the last two years;

(c) the reasons for decline in export growth rate and the areas in which the progress has been poor; and

(d) the steps taken to check the decline in exports and the export growth rate in comparison to increase in imports and its growth rate during 1996-97?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (d) At the beginning of 1996-97, an export growth of 18 to 20% in dollar terms was envisaged for the current financial year. However as per the latest data available from DGCI&S, exports have registered a growth of 6.4% during April-December, 1996 as compared to a growth of 24.2% achieved during the corresponding period in 1995-96 and a growth of 16.9% achieved during April-December, 1994-95.

No targets are fixed for imports which are made as per the requirements of the economy. The imports registered a growth of 4.4% during April-December, 1996-97 as compared to a growth of 29.3% and 23.9% achieved during the corresponding period in 1995-96 and 1994-95 respectively.

Export growth is influenced by international market conditions, non-tariff barriers imposed by the importing countries, supporting infrastructural facilities available